

IC 28-15-6

Chapter 6. Lending Limits

IC 28-15-6-1

Limits to single borrowers

Sec. 1. The following limits apply to the loans that a savings association may make to one (1) borrower:

(1) Loans that a savings association may make to one (1) borrower are restricted by the provisions of 12 U.S.C. 84 and 12 CFR 32.

(2) Notwithstanding subdivision (1), a savings association may loan to one (1) borrower no more than the lesser of:

(A) an amount equal to four percent (4%) of the assets of the savings association; or

(B) five hundred thousand dollars (\$500,000).

(3) Notwithstanding subdivisions (1) and (2), a savings association may make loans to one (1) borrower to develop domestic residential housing units in an amount equal to or less than thirty percent (30%) of the savings association's unimpaired capital and surplus if:

(A) the final purchase price of each single family dwelling unit whose development is financed under this section does not exceed five hundred thousand dollars (\$500,000);

(B) loans made under this subdivision to all borrowers do not in the aggregate exceed one hundred fifty percent (150%) of the savings association's unimpaired capital and surplus; and

(C) the loans made under this subdivision comply with the applicable loan to value requirements that apply to federal savings associations.

As added by P.L.193-1997, SEC.2.